

79-24

A claim is defined as those services billed on a single invoice (piece of paper) with the exception of Pharmacy and Long Term Care services. An adjustment or recovery submitted on an adjustment form is also regarded as a claim.

A Pharmacy claim is defined as the dispensing of one drug item for a recipient. More than one claim may be reported on a pharmacy invoice form (up to eight).

A Long Term Care claim is defined as the service provided to a recipient in a month by one Long Term Care facility.

ST. Minn. A. Approved 12/7/79 RO Approved 2/6/80
Effective 10/1/79

Revised July 1, 1985

OFFICIALMethods and Standards for Establishing Payment Rates

The following is a description of the policy and methods used in establishing payment rates for each type of care and service, other than inpatient hospital service, included in the state plan. In no instance will the amount of payment under the plan exceed charges made to the general public for identical services.

- 2.a. Outpatient hospital services - See note A below. Payment for services meets the requirements of 42 CFR 447.321
- 2.b. Rural health clinic services - See note A below. Payment for services meets the requirements of 42 CFR 447.371
3. Other laboratory and X-ray services - See note B below.
- 4.a. Skilled nursing facilities for individuals 21 years of age or older - See note C below.
- 4.b. Early and periodic screening - Reasonable reimbursement for screenings are established under Department of Human Services Rules, part 9505.1590, subpart 5. Annual adjustment to maximum fees is based on the 75th percentile of all screening charges submitted during the previous six month period. Diagnosis and treatment are the same as regular Medicaid.
- 4.c. Family planning services and supplies - Customary reasonable charges set as in Note A except for providers whose only services are family planning which are reasonable not to exceed maximum rates set by the State Legislature.
5. Physicians' services - See note A below.
- 6.a. Podiatrists' services - See note A below.
- 6.b. Optometrists' services - See note A below.
- 6.c. Chiropractors' services - See note A below.
- 6.d. Other health practitioners' services - See note A below. For health maintenance organizations, cost statements are submitted and reviewed by state agency staff, compared with costs in the service area and payment rates are set by contract as required in 42 CFR 447.361.
7. Home health services - Customary charges which are reasonable, not to exceed Medicare limits which applied to free-standing home health agencies in the Minneapolis/St. Paul area in 1982.

HCFA-179 # 85-53 Date Rec'd 10/3/85
Supersedes _____ Date Appr. 11/7/86
State Rep. In. _____ Date Eff. 7/1/85

Revised July 1, 1985

8. Private duty nursing services - Customary charges which are reasonable, not to exceed maximum rates set by State legislature; i.e., \$8.64 per hour for Licensed Practical Nurses and \$11.52 per hour for Registered Nurses.
9. Clinic services - See note A below. Payment for services meets the requirements of 42 CFR 447.321.
10. Dental services - See note A below.
11. Physical therapy and related services - See note A below.
- 12.a. Prescribed drugs - Payment rates set according to 42 CFR 447.331 - 447.333.
- 12.b. Dentures - See note A below.
- 12.c. Prothetic devices - Customary charges which are reasonable.
- 12.d. Eyeglasses - Rates determined through volume purchasing contract process.
13. Other diagnostic, screening, preventive, and rehabilitative services - Customary charges which are reasonable, not to exceed limits described in A below.
- 14.b. Skilled nursing facility services for individuals age 65 or older in institutions for mental diseases - Limits described under 4.a. above apply.
- 14.c. Intermediate nursing facility services for individuals age 65 or older in institutions for mental diseases - Limits described under 15 below apply.
- 15.a. Intermediate care facility services (other than such services in an institution for mental diseases) for persons determined in accordance with section 1902 (a) (31) (A) of the Act, to be in need of such care - See note D below.
- 15.b. Including such services in a public institution (or distinct part thereof) for the mentally retarded or persons with related conditions - See attachment 4.19D entitled "Methods and Standards for Determining Payment Rates for State Nursing Homes and ICF-MR wards in State Hospitals."
17. Nurse-midwife services - See note A below; usual and customary charges under c. based on charges submitted by all providers delivering the service.
- 18.a. Transportation - Limited to 1982 Medicare maximum charges.
- 18.c. Care and services provided in Christian Science sanatoria - See note C below.
- 18.d. Skilled nursing facility services for patients under 21 years of age --Limits described under 4.a. above apply.
- 18.e. Emergency hospital services - See note A below.

HCFA-179 # 85-53 Date Rec'd 10/3/83
Supercedes _____ Date Appr. 11/7/86
State Rep. In. _____ Date Eff. 7/1/85

Revised July 1, 1985

OFFICIAL

- 18.f. Personal care services in recipient's home, prescribed in accordance with a plan of treatment and provided by a qualified person under supervision of a registered nurse - Paid according to reasonable rates established under state law; annual increases based on projected increase in Consumer Price Index.

HCFA-179 # 85-53 Date Rec'd 10/3/83
Supercedes _____ Date Appr. 11/9/86
State Rep. In. _____ Date Eff. 2/1/85